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70 Years
"A Partner in Conservation Since 1935"

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Transmitted via Email

November 8, 2005

MINNESOTA BULLETIN NO. 300-6-6

SUBJECT: LTP – CSP – GUIDANCE FOR MAKING 2006 CSP PAYMENTS

Action Required By: February 1, 2006

Purpose. To inform NRCS employees of steps to make 2006 CSP payments for 2004 CSP contracts.

Expiration Date. September 30, 2006

As outlined in National Bulletin 300-6-1, CSP contracts from FY 2004 are to be fully populated and payments for FY 2006 are to be made by February 1, 2006. The following modifications are allowed for FY 2004 contracts:

- Adding/removal of land from the contract
- Transition between Tiers
- Additional enhancements

In order to start the certification and payment process for 2006, field offices should send the attached letter and certification form to all contract holders. You may make minor modifications to the letter to address necessary deadlines. This letter is also available in Protracts. Contract participants will be able to receive the 2006 year payment before December 31, 2005 or will be able to elect to defer the payment until after January 1, 2006.

Adding/removal of land from the contract

New land that is added to a contract must meet the minimum tier eligibility requirements and the minimum level of treatment. Since all category/subcategories were funded in 2004, new land does not have to meet the same category level as the original land enrolled in CSP. New land does need to meet the minimum eligibility criteria used in FY2004, including the 2004 wildlife criteria.

For producers who want to add new land that was not originally defined in their agricultural operation, they must provide documentation showing that the land was obtained (bought or rented) after defining their agricultural operation during the FY 2004 signup. They must also provide documentation showing they have control of the land for the life of the contract. Producers must also provide documentation showing they have a positive SCI and meet the minimum water quality eligibility. Land is eligible for enrollment immediately after it is determined to be eligible.

Please follow the steps below to add new land to 2004 CSP contracts:

- ☐ Step 1: Click Modify
- ☐ Step 2: Starting with the Stewardship Payment items planned in 2006 change the planned acres for the practice. Secondly, change the component amounts for each land use as needed. Repeat for the Stewardship Payment items in the out years.
- ☐ Step 3: Follow Step 2 for Existing Practice Payments and Enhancements (if applicable).
- ☐ Step 4: Save and submit the modification for approval. By submitting the modification for approval, the Rule Checker will run automatically.

Transition between Tiers

Guidance on the transition between tiers is described in CPM 518.90h. To transition tiers, the needed practices and activities must be installed and functional by the transition date. In order to transition from Tier I to Tier II, the producer must agree to address the third resource concern by the end of the contract period. All tier transitions must be field verified in order to determine whether or not the minimum tier eligibility requirements and the minimum level of treatment have been met. Once the requirements have been achieved, the contract will be modified to reflect the tier transition. Remember that Tier I contracts can be extended to a maximum of 10 years from the start of the contract if transitioning to Tier II or Tier III.

Please follow the steps listed below when addressing tier transition in Protracts:

- ☐ Step 1: Print the AD-1155 or the AD-1156. Use it to note which items need to be changed.
- ☐ Step 2: Click Modify
- ☐ Step 3: Change the contract expiration date if going from Tier I to Tier II or Tier III.
- ☐ Step 4: Select a new Tier
- ☐ Step 5: Information entered in the Land Use Category window cannot be changed. It shows the category and subcategory under which the contract was funded.
- ☐ Step 6: When the mod is approved, eligible acres will be updated to the total acres of the stewardship payment.
- ☐ Step 7: Starting in 2006, modify the Stewardship Payments. It is best to delete the components for the current tier rather than deleting the items and adding new ones. Click ADD COMPONENT and select the land use components for the new tier.
- ☐ Step 8: Repeat Step 7 for the Existing Practice Payments starting in 2006.

For Tier III contracts, the minimum level of treatment must be met on the entire agricultural operation, including incidental forestland, incidental parcels, and other land as described in CPM 518.44d. This also includes land that is owned by the applicant but not operated by the applicant (i.e., land that the applicant rents to other producers).

Adding New Enhancements

Additional enhancements may be added to the FY 2004 contracts for payment in FY 2006. The payment will be based on the activity the producer agrees to do in FY 2006. The producer will need to produce documentation showing that they completed the enhancement prior to receiving payment. The producer will need to complete and sign the appropriate enhancement job sheet.

Additional Information

Modifications that require participant and NRCS signature are listed in CPM 518.100c.

FY 2006 CSP Payments

FY 2006 payments need to be made by January 6, 2006 on Stewardship, Existing, and Benchmark Enhancements. Producers must submit documentation on the 2004 enhancement job sheets regarding the benchmark enhancements. The documentation is for what they are planning to complete during the FY 2006. Payment for new enhancements will be delayed until the producer establishes the enhancement. For new enhancements that are scheduled for 2006, the producer must first complete the enhancement and provide documentation on the job sheets before receiving payment for the new enhancements. It is possible we will be making two payments for FY 2006.

The following documentation is required for payment:

- ☐ Completed and signed enhancement job sheets.
- ☐ Annual Payment Producer – Certification Worksheet
- ☐ CCC-1245

Producers do not need to provide verification that they are continuing to meet the CSP minimum eligibility requirements for the SCI and water quality prior to FY2006 payment.

If you have any questions, please contact Leah Duzy at 651-602-7867 or by email, leah.duzy@mn.usda.gov.

WILLIAM HUNT
State Conservationist

Attachment

DIST: 2004 CSP DCs
ASTC (FO)